

PROFILE

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A Newsletter of Blue Cross and Blue Shield of Florida

August 29, 1988

Corporate PHS design group paves way for statewide implementation



Judy Discenza, V.P. and Actuary

Blue Cross and Blue Shield of Florida has proved to be resilient and able to adapt to the challenges and changes the marketplace presents.

The Plan's commitment to provide its customers with innovative health care delivery programs is stronger than ever, as shown by efforts under way with the Purchasing of Hospital Services (PHS) program. PHS will help build the corporation's market share and strengthen its leadership position in the health care industry.

PHS is designed to lower hospital care costs for subscribers with traditional health insurance. It offers reimbursement and contracting arrangements that reward hospitals for efficiency, with potential savings to the Plan in the tens of millions of dollars each year.

Planning for statewide expansion of PHS is a multi-divisional effort that's being led by the PHS Corporate Design Group.

Judy Discenza, vice president and Actuary, serves on the group and represents all of the areas within the Finance Division. She recently discussed the division's role in statewide implementation of PHS, and their view of how the pro-

gram will benefit the corporation.

"We need to make PHS as good a marketing tool as it can be," Discenza said. It's a contribution to the Plan's overall competitive advantage, but it will help especially in attracting national employers because they aren't interested in limited access products like HMOs and PPOs, she added.

"It could be the difference to the survival of our national account business,"

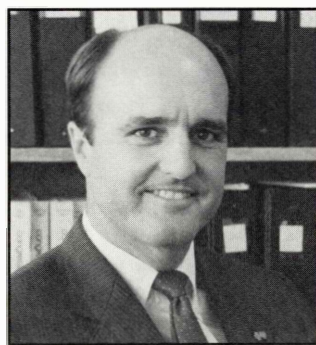
Discenza said.

PHS replaces charge-based pricing with DRG-based pricing for inpatient services and flat rates for outpatient surgical procedures.

Work completed thus far has convinced design group members that PHS clearly must provide cost savings. "We must show demonstrable evidence that we're saving them money," Discenza said.

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Bray earns RHU, encourages professional development



Jim Bray, RHU

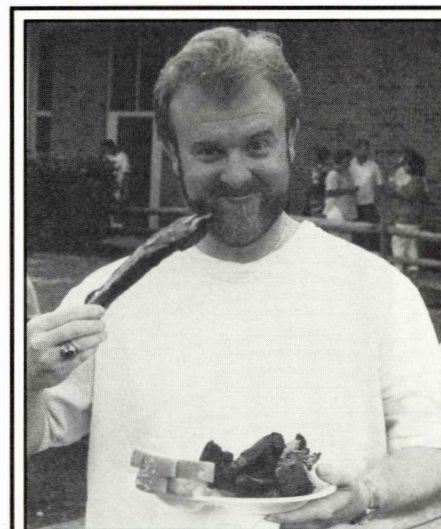
Certification as a Registered Health Underwriter (RHU) recently was conferred upon Jim Bray, state manager of Agency Sales for BCBSF.

Bray was a life and health insurance agent for 12 years before joining the Florida Plan in March 1986. He said that the RHU educational program enhanced his knowledge of the industry, and that he encourages other employees and contracted general agents to make a commitment — to improve their professional standing and to benefit the corporation.

"The RHU program covers disability,

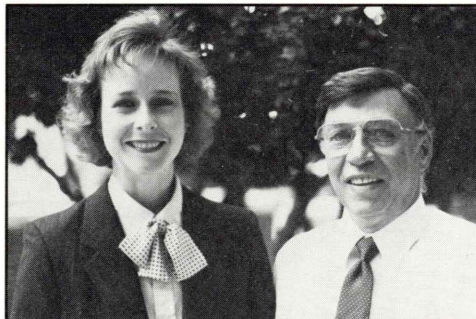
medical and advanced applications of health insurance. It provides a broad knowledge of the health insurance industry," Bray said, noting, "It provides practical applications for sales people and in-house support people as well."

(Continued on back page)



HIS annual picnic '88

Bob Malcolm had fun. More photos inside



Award winners are (l-r) Linda Tester, Lucy Bolena, Cherie Angel, Shernita Thomas, Dawn Snowden and Al Hopper. Brenda Cason and Florence Taylor are absent from photos.

Employees earn ca\$h awards for good ideas

Employees are receiving cash awards for suggesting ways to operate more efficiently and serve customers better.

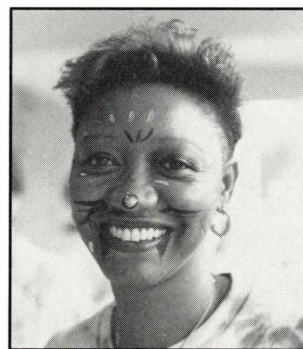
Through the Corporate Suggestion Program, Lucy Bolena and Linda Tester, customer service representatives in FEP Telephone Inquiries, shared a \$1,000 award for suggesting that some items on adjustment forms be printed, not handwritten, which would save time preparing adjustments for processing and about \$31,708 in costs.

Other recipients are Cherie Angel, customer service representative in Medicare B Telephones, \$200; Dawn Snowden, formerly a customer service representative in HIS and now a systems

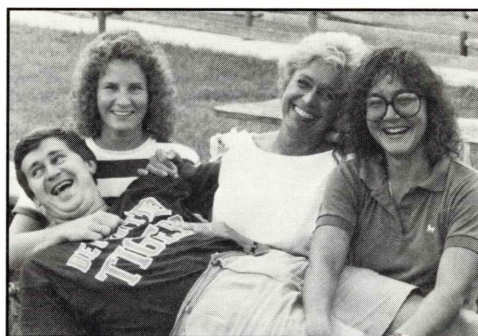
analyst in UBM, \$25; Al Hopper, formerly a claims analyst in MSP and now a claims examiner in EMC-DME, \$50.

Shernita Thomas, formerly a correspondence representative in Medicare B Telephones and now a supervisor, \$25; Brenda Cason, correspondence representative in Medicare B Communications, \$25; Florence Taylor, correspondence analyst in Medicare B, \$25.

Employees should submit suggestions (forms beside bulletin boards) to Organization Development, 1-T, or call Jackie Brooks, ext. 6781.



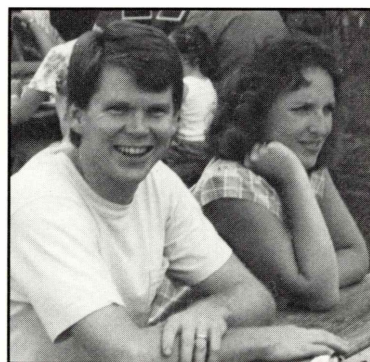
Sandra Tomlin was transformed



Phil Parker got a lift from Amy Snyder, Sandy Smith and Dawn Milstead

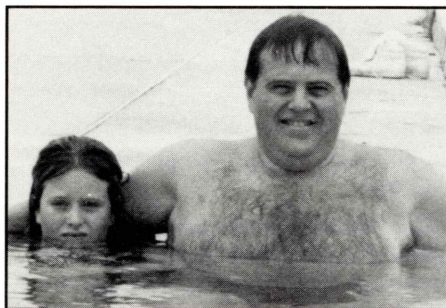
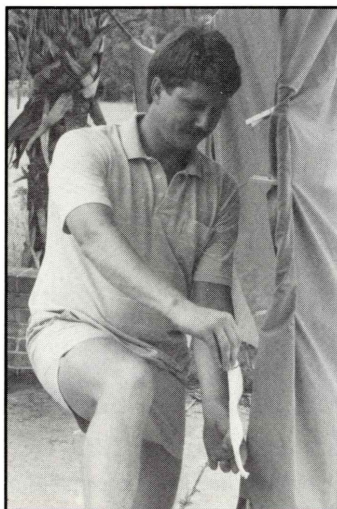


Judging hats on, Bobbi Scharff, Susan Cook, Lynn Monson & Cathy Peper eyed male legs

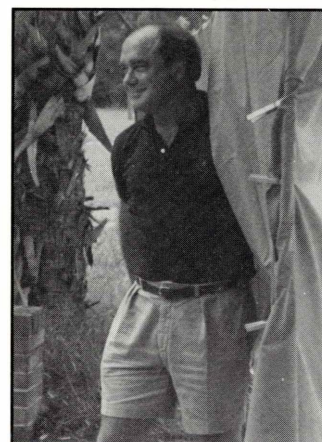


Steve & Debbie Johnson: postmeal

HIS PICNIC '88



Scott Hightower (l) showed his legs but Robert King's were judged the best. Bob Grant (above) and daughter, Colleen, cooled off in the pool. Bill Johns (right) entered the best legs contest



Customer Service

"A valuable asset"

Jim Hall, manager of Systems Development in PAS, earned a nice letter from **Helen Schwarz**, a physician's office manager in Sunrise, who wrote, "He has always been very helpful, courteous, professional and very patient."

"Because he has always been willing to explain the updates and different problems, I have a better understanding of the system. Jim is a valuable asset to Provider Automated Services."

Credit due in Medicare B

Six Customer service representatives in Medicare B Telephone Communications recently received letters from people they've helped:

Subscriber **William Simpson** of Melrose, Massachusetts, wrote to **Paula Dixon**, "Thank you for your patience and courtesy extended . . . You do excellent work for Medicare B . . ."

Hope Gonzalez of SmithKline Bio-Science Laboratories in Tampa lauded **Alex Enriquez**. "... how much we appreciate his calling us. . . With Alex's help we have been able to clear up over 500 claims," she wrote.



Providing service that subscribers appreciate: (l-r) Matt Struhar, Pam Hartsell, Jim Hall, Paula Dixon, James Florit and Alex Enriquez. Maggie Kelly is absent from photo.

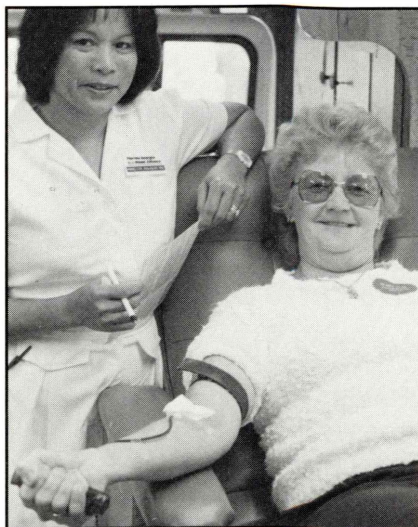
Mrs. **George Simon** of Miami Beach wrote about **James Florit**, "(He) was so extremely helpful and patient! This is the fourth time I have called trying to find out why claims have never been paid since December of 1987, and up until today nobody could answer any questions."

Kelly Palmer of HIS Field Services in Tampa thanked **Pam Hartsell** for helping her with a problem. "(Her) willingness to go the extra mile and her cheerful attitude made my situation a lot easier," she wrote.

Maggie Kelly's service was appreciated by **Michael Brennan** of Hollywood, who wrote, "Thanks to you a problem that I struggled with for over four months was resolved. You must hear plenty of complaints; I want you to hear one 'thank you.'"

Dr. J. Duke Elkow of Sarasota wrote to say he was "most pleased with **Matt Struhar's** response to my phone inquiry about a few claims . . . He was most courteous and efficient."

BCBSF behind in blood goal; final drive November 1



Cathy Casey was among the 84 employees who donated blood August 8

BCBSF is well below its 1988 goal of 500 units in the Jacksonville area blood bank. The goal can be reached only if 185 employees donate blood during the year's final drive November 1.

Those who were able to donate during the previous three drives contributed 315 units, which is greatly appreciated, Corporate Nurse **Mary Cohn** said. But the total is disappointing for a large company.

If employees plan ahead and commit themselves to donate November 1, the goal can be reached.

People often don't realize how important a blood supply is until someone has an accident or needs surgery. By helping the Plan's account, employees and their families will have blood if they need it.

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Frank Dorman, Editor
Printing, Corporate Print Shop

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BCBSF parking fees moderate, based on costs

Employee parking fees were adjusted recently at the home office. Many area managers discussed the new fee structure in Two-Way Communication meetings, and Michael Legan, manager of Safety and Security, described its major provisions in a recent interview.

It's interesting to note, he said, that BCBSF's parking fees have remained the same since 1971, while the costs of administering the facilities have increased steadily.

In order to help equalize this imbalance and still maintain as low a fee structure as possible, the Human Resource Committee approved new rates after reviewing staff work that included a survey of Jacksonville area parking fees, Legan said.

The new fees represent a "break even" level to administer the facilities, Legan said. Real estate taxes, leasing of additional employee parking areas, parking facility depreciation, and contractual security services account for more than 90 percent of the costs, he said.

Corporate parking fees now range from \$12 per month to \$20 per month, with lot 3 still offering free parking 1 1/2 blocks from the main building. Nearby

private parking costs from \$16 to \$25 per month; downtown rates, \$40 - \$65.

Questions employees may have about parking are answered below:

- *How many corporate spaces are available for employees?*

About 1,430 nearby spaces, and more than 500 in lot 3, which normally has an average of 200 unused spaces daily.

- *How are spaces assigned?*

Human Resource Policy 9.1, in effect since April 1985, provides for lot 3 space assignments for employees at pay level 14 and below. Employees then are rotated to progressively closer parking based upon their Benefit Eligibility Date. For pay level 15 and above, assignments are made directly to garage spaces as they become available.

- *Does everyone pay for parking?*

All employees who use the facilities are assessed fees, except for vice presidents and above, due to their long hours, frequent off-site meetings and multiple responsibilities. This is common among large companies.

- *How long does it take to move from lot 3 into the garage?*

Assignments to lots 1 and 2 currently are being made if the employee's B.E.D. is April 1983, to the garage roof with a

B.E.D. of October 1980, and into the garage with a B.E.D. of January 1974.

- *What services do I receive for my fees?*

Besides good quality nearby parking, employees are provided with security services in the form of vehicle and on-foot escorts, battery boosts, and tire inflations and changes as appropriate.

- *How to I avoid the fees?*

Notify the Safety and Security Department -- lot 3 is available at no charge, and the employee B.E.D. is still used for rotation to more preferential parking.

For more information, contact Michael Legan, ext. 8615.

PHS

(Continued from page 1)

The use of DRGs should make pricing more predictable because only one dollar amount is paid for a given illness during a hospital stay. More predictability in the cost of claims will enable BCBSF to accomplish its goal of becoming a low cost producer.

Disenza praised the staff support given to the vice presidents who are involved in planning the program, and she lauded the PHS process that has gained support and commitment from every functional area of the corporation. "It might be a model for how we do other things," she said.

RHU

(Continued from page 1)

The RHU classification was established in 1978 by the National Association of Health Underwriters (NAHU) to help ensure excellence in the health insurance industry.

Two years ago, in cooperation with Northeastern University of Boston, the RHU study and examination series were overhauled substantially. Study materials were upgraded and qualification standards were increased.

The RHU program's original purpose remains — to raise professional standards and to improve methods in the sales and services of health insurance.

To maintain the RHU designation, Bray and others who've earned it must accumulate additional professional credits every three years. RHU qualifying exams are given twice each year. The RHU studies and exams normally are completed in 18 months.

The RHU designation is respected in the industry and among group insurance buyers, as are the CLU (Chartered Life Underwriter), ChFC (Chartered Financial Consultant) and CEBS (Certified Employee Benefits Specialist).

Joe Sabotin, CLU, director of Traditional Markets, is very supportive of Bray and his staff's pursuit of professional designations. Bray is enrolled in the CLU program and his area managers are enrolled in the RHU program.

Robert McCaffrey, senior vice president and chief marketing executive, congratulated Bray, saying, "We enthusiastically support continuing education to increase knowledge and ability, which in turn provides the company with greater success."

Anyone who'd like more information about the RHU program should contact Bray or Debbie Jolley at ext. 6938.



The ama'zeng' Z-man

A masked Dick Warner recently presided at the PBO Market Segment management team's graduation from the Zenger-Miller "Frontline Leadership" interpersonal skills program.

In colorful skits, the 88 employees enthusiastically demonstrated positive changes they've made in their management behavior.